

235 - Department of Labor and Industries

A001 Administration

The Administration activity provides support services to all divisions of the Department of Labor and Industries (L&I). The program provides personnel and other human resources services, facilities management, budget and financial management, direction of agency field offices, and overall agency direction. The program also provides information to large segments of the general public, including individual employers, employer groups, labor organizations, concerned citizens, the Governor and other state agencies, the Legislature, and other states or political subdivisions. The Information Services component provides coordinated agency-wide computing resources supporting external customer access to services, internal business applications and data management, information technology policy and planning, local network operations, and electronic data security.

| | FY 2006 | FY 2007 | Biennial Total |
|-------|--------------|--------------|----------------|
| FTE's | 226.5 | 227.4 | 227.0 |
| GFS | \$224,000 | \$215,000 | \$439,000 |
| Other | \$26,141,000 | \$27,963,000 | \$54,104,000 |
| Total | \$26,365,000 | \$28,178,000 | \$54,543,000 |

Statewide Result Area: Improve the economic vitality of businesses and individuals

Statewide Strategy: Other workforce support strategies

Expected Results

Managing agency and field offices so performance goals are met, statutorily required programs function well, and budget and expenditures meet statutory requirements. Managing services to all divisions such as facilities, public information, personnel, procurement, accounting, vendor payment, contracts, risk management, and public disclosure so that the agency is able to meet performance goals, and perform statutorily required duties on time, without interruption, and within budget. Maintaining agency information systems at a level that minimizes interruption of vital business services and ensures system compliance with federal and state policies, standards, and best practices at least 99 percent of the time. Providing Internet services that enable customers to conduct business on their schedules and at their convenience. Labor and Industries handled about 400,000 internet transactions in Fiscal Year 2003.

A002 Apprenticeship

Appropriation Period: 2005-07 Activity Version: 51 - 2006 Governor's Proposed Supplement

Apprenticeship is a proven workforce training model that prepares a qualified workforce for employers in key occupations in our state. Combining on-the-job training with classroom education, apprenticeship helps employers address current or projected labor shortages and skills gaps in various industries such as the construction trades, health care, and childcare. The Apprenticeship program serves as the administrative arm of the Washington State Apprenticeship and Training Council. L&I staff are responsible for coordinating the development of apprenticeship programs, finding opportunities for expansion, and gaining compliance among apprenticeship programs across the state. Apprenticeship has become a proven alternative for individuals and employers as this training model continues to demonstrate the highest outcomes (when compared to other training programs such as private or technical schools or vocational training) in regards to average salary, employer satisfaction, and connecting the learned skills most directly to the occupation.

| | FY 2006 | FY 2007 | Biennial Total |
|-------|-------------|-------------|----------------|
| FTE's | 16.7 | 16.9 | 16.8 |
| GFS | \$0 | \$0 | \$0 |
| Other | \$2,236,000 | \$2,463,000 | \$4,699,000 |
| Total | \$2,236,000 | \$2,463,000 | \$4,699,000 |

Statewide Result Area: Improve the value of postsecondary learning

Statewide Strategy: Career preparation beyond high school

Expected Results

Participation of a significant number of apprentices each year in a multitude of different apprenticeship programs; development and approval of new programs in both traditional and non-traditional occupations which result in median annualized earnings of \$50,599 for apprentices after completing their program, compared to \$32,420 for those who do not complete their program, the highest annual salary of all workforce development programs in Washington. Enforcement through timely and systematic compliance reviews of program standards. Programs are reviewed for compliance with state and federal requirements once every two years. Coordinating, promoting, and expanding existing programs and developing new programs, and coordinating and promoting pre-apprenticeship, to produce a qualified stream of applicants for programs seeking participants. Collaborating with other workforce training entities to secure federal workforce development funding and/or grant dollars designated for the expansion of apprenticeship. The apprenticeship program often serves as a conduit for federal Workforce Investment Act funding.

| Number of apprenticeship programs. | | | | |
|------------------------------------|---------|--------|--------|----------|
| Biennium | Period | Target | Actual | Variance |
| 2005-07 | 8th Qtr | 269 | | |
| | 4th Qtr | 253 | | |
| 2003-05 | 8th Qtr | 253 | 240 | (13) |
| | 7th Qtr | 0 | 240 | 240 |
| | 6th Qtr | 0 | 244 | 244 |
| | 5th Qtr | 0 | 243 | 243 |

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| Number of participating apprentices. | | | | |
|--------------------------------------|---------|--------|--------|----------|
| Biennium | Period | Target | Actual | Variance |
| 2005-07 | 8th Qtr | 14,000 | | |
| | 4th Qtr | 14,000 | | |
| 2003-05 | 8th Qtr | 13,500 | 13,147 | (353) |
| | 7th Qtr | 0 | 13,187 | 13,187 |
| | 6th Qtr | 0 | 13,259 | 13,259 |
| | 5th Qtr | 0 | 13,292 | 13,292 |

A003 Contractor Registration

The Contractor Registration program works to protect homeowners (as well as companies supplying labor, materials, or equipment) from unreliable, fraudulent, financially irresponsible, or incompetent construction contractors. The registration of contractors provides consumer protection because it requires contractors to maintain a minimum level of bonding and insurance coverage. L&I construction compliance inspectors verify and promote registration by making random site visits and responding to complaints from homeowners, material suppliers, and other contractors. Promoting compliance also protects contractors from those who attempt to gain a competitive advantage through noncompliance. This fee-for-service program is self supporting.

| | FY 2006 | FY 2007 | Biennial Total |
|-------|-------------|-------------|----------------|
| FTE's | 44.4 | 44.8 | 44.6 |
| GFS | \$3,363,000 | \$3,429,000 | \$6,792,000 |
| Other | \$645,000 | \$667,000 | \$1,312,000 |
| Total | \$4,008,000 | \$4,096,000 | \$8,104,000 |

Statewide Result Area: Improve the economic vitality of businesses and individuals

Statewide Strategy: Flexible regulation

Expected Results

Proving consumer protection in the form of approximately \$1.2 million in contractor bonds disbursed to harmed consumers each year. Registering more than 52,000 contractors with the program, and inspection staff checking 28,000 registrations annually, reviewing whether they are bonded and insured. 17,000 of these interactions are conducted on job sites across the state. Construction compliance inspectors also identify employers who owe the agency more than \$750,000 in workers' compensation premiums. Issuing penalties for non-compliance, and making referrals to local prosecutors to pursue criminal action against habitually fraudulent contractors. Answering 38,000 toll-free calls each year from consumers and contractors regarding registrations and/or inquiring about legal recourse against a fraudulent contractor. Providing a real-time, web-based application for consumers to check on the status of a contractor's registration. This application averages around 800 hits per day. Providing targeted outreach at home and trade shows to increase awareness about contractor obligations and consumer protections.

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| Number of infractions issued to contractors operating illegally in the underground economy. | | | | |
|---|--------|--------|--------|----------|
| Biennium | Period | Target | Actual | Variance |
| 2005-07 | FY2007 | 1,200 | | |
| | FY2006 | 1,200 | | |

| Turnaround time of contractor registration renewal. | | | | |
|---|---------|--------|--------|----------|
| Biennium | Period | Target | Actual | Variance |
| 2005-07 | 8th Qtr | 5 | | |
| | 4th Qtr | 5 | | |
| 2003-05 | 8th Qtr | 5 | 2 | (3) |
| | 7th Qtr | 5 | 2 | (3) |
| | 6th Qtr | 5 | 1 | (4) |
| | 5th Qtr | 5 | 1 | (4) |
| Target number of days to complete registration varies seasonally. | | | | |

A004 Crime Victims' Compensation

The Crime Victims Compensation program helps eligible victims and their families recover from the emotional, physical, and financial hardship which crime imposes on them. The program provides financial assistance as a payer of last resort to victims in cases where bodily injury, mental trauma, or death results from criminal acts. The program reimburses medical facilities for emergency sexual assault exams that provide both emergency trauma services to victims and maintains evidence for potential prosecution of sexual assault perpetrators.

| | FY 2006 | FY 2007 | Biennial Total |
|-------|--------------|--------------|----------------|
| FTE's | 45.7 | 45.7 | 45.7 |
| GFS | \$0 | \$0 | \$0 |
| Other | \$18,504,000 | \$19,937,000 | \$38,441,000 |
| Total | \$18,504,000 | \$19,937,000 | \$38,441,000 |

Statewide Result Area: Improve the safety of people and property

Statewide Strategy: Crime response and recovery

Expected Results

Adjudicating crime victim claims within 50 days, 7,000 claims are received annually. Paying crime victim provider bills within 50 days, 70,000 bills are received annually. Providing crime victim benefits to over 7,500 victims who are eligible to receive medical care, counseling, time-loss payments, limited disability benefits, funeral assistance, and emergency forensic examinations for sexual assault victims. Enforcing requirements that all other medical insurance coverage pays first.

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| Percentage of crime victims' claims adjudicated within 50 days. | | | | |
|---|---------|--------|--------|----------|
| Biennium | Period | Target | Actual | Variance |
| 2005-07 | 8th Qtr | 94% | | |
| | 4th Qtr | 94% | | |
| 2003-05 | 8th Qtr | 94% | 95.4% | 1.4% |
| | 7th Qtr | 94% | 95.8% | 1.8% |
| | 6th Qtr | 94% | 91.1% | (2.9)% |
| | 5th Qtr | 94% | 88.69% | (5.31)% |

| Percentage of crime victims' provider bills paid within 50 days. | | | | |
|--|---------|--------|--------|----------|
| Biennium | Period | Target | Actual | Variance |
| 2005-07 | 8th Qtr | 97% | | |
| | 4th Qtr | 97% | | |
| 2003-05 | 8th Qtr | 97% | 97.3% | 0.3% |
| | 7th Qtr | 97% | 95.9% | (1.1)% |
| | 6th Qtr | 97% | 94.3% | (2.7)% |
| | 5th Qtr | 97% | 93.7% | (3.3)% |

A005 Electrical

The Electrical program works to protect the people of the state from the inherent dangers associated with electrical work. It provides a baseline of public safety in electrical installations by inspecting electrical wiring and installations in industrial, commercial, institutional (schools), and residential construction. The program sets standards for the competency of individuals performing electrical work by establishing qualifications, administering a variety of examinations, and issuing electrical certificates and licenses. In addition, the program examines and accredits electrical product-testing laboratories and monitors the amusement ride industry for structural and mechanical safety. This fee-for-service program has a dedicated account that is self-supporting.

| | FY 2006 | FY 2007 | Biennial Total |
|-------|--------------|--------------|----------------|
| FTE's | 195.0 | 203.0 | 199.0 |
| GFS | \$0 | \$0 | \$0 |
| Other | \$16,693,000 | \$17,947,000 | \$34,640,000 |
| Total | \$16,693,000 | \$17,947,000 | \$34,640,000 |

Statewide Result Area: Improve the safety of people and property

Statewide Strategy: Prevent accidents and prepare for emergencies

Expected Results

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Issuing 162,000 electrical installation permits. Conducting 270,000 inspections annually, assuring that electrical hazards identified during inspections are fixed. Issuing 157,000 corrections annually. Assessing penalties for violations regarding improper installations. Making random visits to job sites to ensure that electricians are licensed and certified. Licensing and certifying 44,000 electricians in the state, and renewing on two or three year cycles, depending on the type of license or certificate. Auditing and verifying electrical trainee hours. Verifying credentials for all exam applicants. Issuing 4,200 citations annually, nearly half issued for performing work while uncertified, or for work done without a permit.

| Number of citations issued to electricians working in the underground economy (no contractor license, no electrician certificate, no electrical permit.) | | | | |
|--|---------|--------|--------|----------|
| Biennium | Period | Target | Actual | Variance |
| 2005-07 | 8th Qtr | 2,025 | | |
| | 4th Qtr | 2,025 | | |
| 2003-05 | 8th Qtr | 2,025 | 1,205 | (820) |
| | 7th Qtr | 0 | 488 | 488 |
| | 6th Qtr | 0 | 622 | 622 |
| | 5th Qtr | 0 | 1,162 | 1,162 |

| Number of serious electrical corrections (that would have resulted in electrical disconnection) that are found and fixed. | | | | |
|---|---------|---------|--------|-----------|
| Biennium | Period | Target | Actual | Variance |
| 2005-07 | 8th Qtr | 118,875 | | |
| | 4th Qtr | 118,875 | | |
| 2003-05 | 8th Qtr | 118,875 | 11,943 | (106,932) |
| | 7th Qtr | 0 | 10,442 | 10,442 |
| | 6th Qtr | 0 | 10,186 | 10,186 |
| | 5th Qtr | 0 | 11,603 | 11,603 |

A006 Elevator Inspection

The Elevator program works to protect the people of the state from the inherent dangers and hazards associated with elevators and other types of conveyances such as escalators and material lifts. In order to minimize potential impacts to life or health, and to avoid the economic loss caused by unsafe conditions in elevators and conveyances, the program inspects all new and altered non-residential elevators and conveyances, and provides annual safety inspections on existing elevators and conveyances, including grain elevators. To further promote safety, the program issues licenses to elevator contractors and mechanics. This fee-for-service program is self-supporting.

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| | FY 2006 | FY 2007 | Biennial Total |
|-------|-------------|-------------|----------------|
| FTE's | 29.8 | 29.8 | 29.8 |
| GFS | \$2,227,000 | \$2,254,000 | \$4,481,000 |
| Other | \$223,000 | \$235,000 | \$458,000 |
| Total | \$2,450,000 | \$2,489,000 | \$4,939,000 |

Statewide Result Area: Improve the safety of people and property

Statewide Strategy: Prevent accidents and prepare for emergencies

Expected Results

Completing more than 13,500 elevator safety inspections annually. Identifying 17,000 corrections each year, of which approximately 4,900, if not abated, pose critical and/or imminent danger to those using them. Timely administration of inspection reports and follow-up to ensure that required corrections are made. Issue penalties for non-compliance as a tool for ensuring abatement of identified corrections. Timely processing of annual operating permits for owners of elevators and other conveyances. Administering 300 tests and licenses for elevator contractors and mechanics each year.

| Percentage of annual elevator inspections completed on time. | | | | |
|--|--------|--------|--------|----------|
| Biennium | Period | Target | Actual | Variance |
| 2005-07 | FY2007 | 85% | | |
| | FY2006 | 85% | | |

A007 Employment Standards/Prevailing Wage

The state of Washington has a long tradition of protecting its workers, passing its first minimum wage laws in 1913. The Employment Standards program continues the tradition by promoting and enforcing fair labor practices and taking actions for employees who are not paid an appropriate and fair wage for the hours worked. Employers in the state must abide by rules and regulations concerning wage payments, working conditions, family care, and farm labor contractors. By providing statutory guidance in regards to our state's labor laws, L&I helps to keep many issues from reaching a costly litigious stage. The program's industrial relations agents act as the primary points of contact for workers who have not been fairly compensated for work performed. The program emphasizes and targets its compliance services towards vulnerable, low-wage workers. In addition, the program's goal is that minors in the workplace are safe and not performing specific prohibited duties. It accomplishes this by inspections, education, and issuance of minor work permits to employers of minors in well-defined limited circumstances. The Prevailing Wage program establishes prevailing wages and uses outreach and enforcement to promote these wages being paid on public works projects.

| | FY 2006 | FY 2007 | Biennial Total |
|-------|-------------|-------------|----------------|
| FTE's | 44.8 | 42.0 | 43.4 |
| GFS | \$0 | \$0 | \$0 |
| Other | \$3,490,000 | \$3,444,000 | \$6,934,000 |
| Total | \$3,490,000 | \$3,444,000 | \$6,934,000 |

Statewide Result Area: Improve the economic vitality of businesses and individuals
Statewide Strategy: Flexible regulation

Expected Results

Investigating 5,000 wage claims from employees, and other referral sources, each year. These investigations result in the collection of wages for workers. Collecting \$3 million a year in unpaid wages for workers, of which more than \$1 million is collected for low-wage workers. Issuing 30,000 minor work permits and variances to employers annually. These permits promote protections for more than 100,000 minors. Issuing penalties for child labor, minimum wage, family-care, farm labor, and prevailing wage violations. Establishing and publishing prevailing wage rates for construction-related trades in each county through wage surveys and scope-of-work analyses. Timely processing of 70,000 intents and affidavits within seven days to verify and ensure appropriate prevailing wages are paid in over 3,000 job types in public works projects, contributing over \$4.6 billion to the Washington State economy.

| Number of wage claims and complaints closed. | | | | |
|--|---------|--------|--------|----------|
| Biennium | Period | Target | Actual | Variance |
| 2005-07 | 8th Qtr | 5,000 | | |
| | 4th Qtr | 5,000 | | |
| 2003-05 | 8th Qtr | 5,000 | 1,030 | (3,970) |
| | 7th Qtr | 0 | 938 | 938 |
| | 6th Qtr | 0 | 1,148 | 1,148 |
| | 5th Qtr | 0 | 1,044 | 1,044 |

| Total dollars in unpaid wages collected for workers. | | | | |
|--|---------|-------------|-------------|-------------|
| Biennium | Period | Target | Actual | Variance |
| 2005-07 | 8th Qtr | \$1,500,000 | | |
| | 4th Qtr | \$1,500,000 | | |
| 2003-05 | 8th Qtr | \$750,000 | \$1,080,488 | \$330,488 |
| | 7th Qtr | \$750,000 | \$953,943 | \$203,943 |
| | 6th Qtr | \$750,000 | \$605,263 | \$(144,737) |
| | 5th Qtr | \$750,000 | \$665,382 | \$(84,618) |

A008 Factory-Assembled Structures

Appropriation Period: 2005-07 Activity Version: 51 - 2006 Governor's Proposed Supplement

The Factory-Assembled Structures (FAS) program sets standards and conducts inspections aimed at promoting the safety of those who live, study, work in, and use factory-assembled structures. Structures include mobile/manufactured homes, modular school and construction trailers, mobile medical units, recreational vehicles, and vendor trailer units. The program is the primary statewide building inspector for all factory-assembled structures that are sited in Washington. Its primary duty is to determine if structures are in compliance with state and federal building codes. These codes provide consistent and efficient fire/life safety standards and inspections across all local jurisdictions.

| | FY 2006 | FY 2007 | Biennial Total |
|-------|-------------|-------------|----------------|
| FTE's | 20.4 | 20.1 | 20.3 |
| GFS | \$1,746,000 | \$1,769,000 | \$3,515,000 |
| Other | \$36,000 | \$44,000 | \$80,000 |
| Total | \$1,782,000 | \$1,813,000 | \$3,595,000 |

Statewide Result Area: Improve the safety of people and property

Statewide Strategy: Prevent accidents and prepare for emergencies

Expected Results

Successfully overseeing and enforcing consistent life safety standards in factory assembled structures. Responding in a timely manner to nearly 10,000 requests annually for inspections of alterations to mobile/manufactured homes. Reviewing contractors to enforce requirements for alteration permits and safety inspections. Conducting 300 inspection and audit visits annually to manufacturing facilities in other states and Canada. Reviewing 2,500 plans annually for compliance with a variety of federal, state, and local public safety codes.

| Total number of mobile/manufactured homes alteration inspections. | | | | |
|---|---------|--------|--------|----------|
| Biennium | Period | Target | Actual | Variance |
| 2005-07 | 8th Qtr | 6,500 | | |
| | 4th Qtr | 6,500 | | |
| 2003-05 | 8th Qtr | 6,500 | 2,946 | (3,554) |
| | 7th Qtr | 0 | 2,790 | 2,790 |
| | 6th Qtr | 0 | 2,714 | 2,714 |
| | 5th Qtr | 0 | 2,440 | 2,440 |

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| Turn-around time in factory assembled structures plan review. Current goal is 12 days. | | | | |
|---|---------|--------|--------|----------|
| Biennium | Period | Target | Actual | Variance |
| 2005-07 | 8th Qtr | 12 | | |
| | 4th Qtr | 12 | | |
| 2003-05 | 8th Qtr | 12 | 18 | 6 |
| | 7th Qtr | 12 | 11 | (1) |
| | 6th Qtr | 12 | 11 | (1) |
| | 5th Qtr | 12 | 8 | (4) |
| *Codes changes may cause a delay in turn-around times. | | | | |

A009 Field Office Customer Support

The Field Office Customer Support staff are the face of L&I in 22 local offices across the state, providing service to more than 700,000 people annually, in person and on the phone. More than 25 percent of those contacts are related to workers' compensation claims. The staff is knowledgeable and responds to inquiries about all L&I programs and services, including workers' compensation claims administration and claims for unpaid wages. Field Office Customer Support staff often are the first point of contact for employers, workers, and the general public who interact with the agency. Every day they contact injured workers and employers regarding return-to-work, register contractors, issue electrical licenses, sell electrical and factory-assembled structure permits, process prevailing wage intents and affidavits, process business license applications, and collect industrial insurance premium payments. Field Office Customer Support staff process more than \$65 million annually, 70 percent of which are workers' compensation premium payments.

| | FY 2006 | FY 2007 | Biennial Total |
|-------|--------------|--------------|----------------|
| FTE's | 126.2 | 126.2 | 126.2 |
| GFS | \$0 | \$0 | \$0 |
| Other | \$12,502,000 | \$12,774,000 | \$25,276,000 |
| Total | \$12,502,000 | \$12,774,000 | \$25,276,000 |

Statewide Result Area: Improve the economic vitality of businesses and individuals

Statewide Strategy: Return unemployed, underemployed or injured workers to work

Expected Results

Providing effective service to 700,000 walk-in and telephone customers, such as responding to workers' compensation claims issues. Appropriately processing revenues collected from workers' compensation premiums, permit and license fees, and other payments.

| Total dollars received by L&I field office customer support staff. | | | | |
|--|---------|--------------|-------------|-------------|
| Biennium | Period | Target | Actual | Variance |
| 2005-07 | FY2007 | \$65,000,000 | | |
| | FY2006 | \$65,000,000 | | |
| 2003-05 | 8th Qtr | \$0 | \$2,125,273 | \$2,125,273 |
| | 7th Qtr | \$0 | \$2,021,756 | \$2,021,756 |
| | 6th Qtr | \$0 | \$1,733,231 | \$1,733,231 |
| | 5th Qtr | \$0 | \$1,803,929 | \$1,803,929 |
| *Total dollars received has only been reported for two quarters of FY04. | | | | |

A010 Health Care Analysis

The Health Care Analysis program performs four main functions. It works to control the rate of growth in medical benefit costs for workers' compensation claims; improves the quality of health care in order to improve return-to-work outcomes for injured workers; pays health care provider medical bills to ensure injured worker access to health services; and detects and controls provider fraud and abuse.

Health Services Analysis helps minimize medical cost increases for worker compensation claims by implementing and continually updating provider fee schedules, hospital payment methods, and pharmacy payments. These fee schedules provide fair compensation for claims costs, but do not allow individual providers to charge higher fees. Payment methods are coordinated and aligned with other major state health care purchasers in order to increase consistency and maximize the state's purchasing power.

| | FY 2006 | FY 2007 | Biennial Total |
|-------|-------------|--------------|----------------|
| FTE's | 105.4 | 106.2 | 105.8 |
| GFS | \$0 | \$0 | \$0 |
| Other | \$9,833,000 | \$10,876,000 | \$20,709,000 |
| Total | \$9,833,000 | \$10,876,000 | \$20,709,000 |

Statewide Result Area: Improve the health of Washingtonians

Statewide Strategy: Return unemployed, underemployed or injured workers to work

Expected Results

Developing and updating medical fee schedules. Controlling the rate of growth in medical costs to minimize premium increases. Processing and paying in a timely manner 3.1 million provider bills, in excess of \$450 million annually. Auditing health-care providers to recover inappropriate payments. Developing, implementing, and evaluating innovative service delivery programs for provision of cost-effective medical services to injured workers. Providing targeted utilization review of 15,000 high cost inpatient and outpatient procedures each year to support quality and value-based purchasing. Preventing inappropriate use of prescription drugs. Developing medical treatment guidelines and health technology assessments to ensure health care is high quality and evidence-based. The agency's drug utilization review saves approximately \$4 million per year while improving patient safety.

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| Dollars recovered through bill audits that detect and control inappropriate billings by health care providers. | | | | |
|--|---------|-----------|----------|-------------|
| Biennium | Period | Target | Actual | Variance |
| 2005-07 | 8th Qtr | \$375,000 | | |
| | 4th Qtr | \$375,000 | | |
| 2003-05 | 8th Qtr | \$375,000 | \$27,738 | \$(347,262) |
| | 7th Qtr | \$0 | \$3,900 | \$3,900 |
| | 6th Qtr | \$0 | \$86,178 | \$86,178 |
| | 5th Qtr | \$0 | \$18,734 | \$18,734 |

| Maintain the annual growth of the medical aid fund at or below 7 percent to stabilize workers' compensation premium increases. | | | | |
|--|---------|--------|--------|----------|
| Biennium | Period | Target | Actual | Variance |
| 2005-07 | 8th Qtr | 7% | | |
| | 4th Qtr | 7% | | |
| 2003-05 | 8th Qtr | 7% | 5.4% | (1.6)% |
| | 7th Qtr | 7% | 3.3% | (3.7)% |
| | 6th Qtr | 7% | 3% | (4)% |
| | 5th Qtr | 7% | 5% | (2)% |

| Number of inappropriate prescriptions avoided including duplicate drug therapies and dangerous drug combinations. | | | | |
|---|---------|--------|--------|----------|
| Biennium | Period | Target | Actual | Variance |
| 2005-07 | 8th Qtr | 74,000 | | |
| | 4th Qtr | 74,000 | | |
| 2003-05 | 8th Qtr | 74,000 | 18,326 | (55,674) |
| | 7th Qtr | 0 | 16,052 | 16,052 |
| | 6th Qtr | 0 | 14,855 | 14,855 |
| | 5th Qtr | 0 | 16,368 | 16,368 |

A011 Fraud Prevention and Compliance

Appropriation Period: 2005-07 Activity Version: 51 - 2006 Governor's Proposed Supplement

The Fraud Prevention and Compliance program serves as a key line of defense for the economic integrity of the industrial insurance state fund. The major functions of fraud prevention and compliance include audits of employer reporting, audits of provider billing at the fraud level, investigations of worker claims, and collection of funds owed to the agency as a result of delinquent premiums, audits, overpayments to claimants, and fraud. The goal of fraud prevention and compliance is to ensure that workers and providers receive only those benefits and funds that are properly due, while verifying that employers pay the proper premiums on a timely basis. Other activities include the investigation of cases involving potential discrimination against workers who exercise their right to file industrial insurance claims and an administrative function that allows reconsideration of assessments and class determination for employers.

| | FY 2006 | FY 2007 | Biennial Total |
|-------|--------------|--------------|----------------|
| FTE's | 226.9 | 228.2 | 227.6 |
| GFS | \$1,000 | \$1,000 | \$2,000 |
| Other | \$14,457,000 | \$16,254,000 | \$30,711,000 |
| Total | \$14,458,000 | \$16,255,000 | \$30,713,000 |

Statewide Result Area: Improve the economic vitality of businesses and individuals

Statewide Strategy: Return unemployed, underemployed or injured workers to work

Expected Results

Performing more than 3,000 audits yearly to ensure compliant reporting and payment. Investigating over 3,000 claims each year to ensure that benefits are paid properly. Collecting delinquent funds from more than 35,000 employers, claimants, and providers. Successfully auditing and investigating provider fraud cases. Conducting investigations of potential discrimination involving industrial insurance claims. Performing administrative reviews of employer assessments and classification determinations.

| Dollars collected from employers as a result of delinquent premiums and audits. | | | | |
|---|---------|--------|--------|----------|
| Biennium | Period | Target | Actual | Variance |
| 2005-07 | 8th Qtr | \$89 | | |
| | 4th Qtr | \$88 | | |
| 2003-05 | 8th Qtr | \$21.9 | \$24.2 | \$2.3 |
| | 7th Qtr | \$21.9 | \$25.3 | \$3.4 |
| | 6th Qtr | \$21.9 | \$25 | \$3.1 |
| | 5th Qtr | \$21.9 | \$22.3 | \$0.4 |

Appropriation Period: 2005-07 Activity Version: 51 - 2006 Governor's Proposed Supplement

| Number of claims investigations completed. | | | | |
|--|---------|--------|--------|----------|
| Biennium | Period | Target | Actual | Variance |
| 2005-07 | 8th Qtr | 3,400 | | |
| | 4th Qtr | 3,300 | | |
| 2003-05 | 8th Qtr | 800 | 1,043 | 243 |
| | 7th Qtr | 800 | 916 | 116 |
| | 6th Qtr | 800 | 942 | 142 |
| | 5th Qtr | 800 | 802 | 2 |

| Number of employer premium audits completed. | | | | |
|--|---------|--------|--------|----------|
| Biennium | Period | Target | Actual | Variance |
| 2005-07 | 8th Qtr | 3,600 | | |
| | 4th Qtr | 3,500 | | |
| 2003-05 | 8th Qtr | 1,105 | 1,107 | 2 |
| | 7th Qtr | 1,105 | 929 | (176) |
| | 6th Qtr | 1,105 | 964 | (141) |
| | 5th Qtr | 1,105 | 828 | (277) |

| Total dollars identified to collect and costs avoided as a result of claim investigations completed. | | | | |
|--|---------|-----------|--------|----------|
| Biennium | Period | Target | Actual | Variance |
| 2005-07 | 8th Qtr | \$850,000 | | |
| | 7th Qtr | \$850,000 | | |
| | 6th Qtr | \$850,000 | | |
| | 5th Qtr | \$850,000 | | |
| | 4th Qtr | \$825,000 | | |
| | 3rd Qtr | \$825,000 | | |
| | 2nd Qtr | \$825,000 | | |
| | 1st Qtr | \$825,000 | | |

A012 Plumbers Certification

Appropriation Period: 2005-07 Activity Version: 51 - 2006 Governor's Proposed Supplement

The Plumber Certification program protects the people of the state from damage to life or health, or from economic loss caused by unsafe and unsanitary plumbing conditions in residential and commercial structures. The program is responsible for setting the standardized experience and educational levels of plumbers, administering testing, and issuing certificates to plumbers. The program audits and reviews trainee hours, processes new certifications, and renews ongoing certifications. Inspectors also visit job sites to ensure compliance and respond to consumer complaints. This fee-for-service program has a dedicated account that is self-supporting.

| | FY 2006 | FY 2007 | Biennial Total |
|-------|-----------|-----------|----------------|
| FTE's | 9.4 | 9.4 | 9.4 |
| GFS | \$0 | \$0 | \$0 |
| Other | \$799,000 | \$825,000 | \$1,624,000 |
| Total | \$799,000 | \$825,000 | \$1,624,000 |

Statewide Result Area: Improve the safety of people and property

Statewide Strategy: Prevent accidents and prepare for emergencies

Expected Results

Certifying and renewing journeyman and residential plumbers. Auditing and monitoring hours for 2,000 plumber trainees and medical gas installers. Examining an average of 670 plumbers each year.

Ensuring compliance by visiting 15,000 construction sites and verifying the certification of plumbers on the job. Issuing infractions and collecting penalties.

| Number of violations issued to plumbers. | | | | |
|--|---------|--------|--------|----------|
| Biennium | Period | Target | Actual | Variance |
| 2005-07 | 8th Qtr | 245 | | |
| | 4th Qtr | 245 | | |
| 2003-05 | 8th Qtr | 245 | 51 | (194) |
| | 7th Qtr | 0 | 34 | 34 |
| | 6th Qtr | 0 | 32 | 32 |
| | 5th Qtr | 0 | 30 | 30 |

A013 Premium Assessment

Appropriation Period: 2005-07 Activity Version: 51 - 2006 Governor's Proposed Supplement

Washington is an exclusive state fund workers' compensation state where employers must purchase workers' compensation insurance from L&I. The only exceptions are some federal facilities and self-insured firms. L&I acts as a Workers' Compensation Rating Bureau and a large insurance company. L&I provides coverage for approximately 1.8 million workers annually. Actuaries recommend and calculate the classification rates used to assess employer premiums, and design and maintain the experience rating and retrospective premium rating systems used to calculate the assessed premiums and refunds. Retrospective rating offers optional rating plans to qualified state fund-insured employers and employer groups, providing economic incentives to reduce their workers' compensation insurance costs through effective accident prevention and claims management practices. The program assesses insurance premiums and delivers optimum customer service through key account managers to approximately 100,000 employers who pay into the workers' compensation system.

| | FY 2006 | FY 2007 | Biennial Total |
|-------|--------------|--------------|----------------|
| FTE's | 148.1 | 147.7 | 147.9 |
| GFS | \$0 | \$0 | \$0 |
| Other | \$10,820,000 | \$11,200,000 | \$22,020,000 |
| Total | \$10,820,000 | \$11,200,000 | \$22,020,000 |

Statewide Result Area: Improve the economic vitality of businesses and individuals

Statewide Strategy: Return unemployed, underemployed or injured workers to work

Expected Results

Keeping premiums low and maintaining actuarial solvency of the state fund by providing for a rating system consistent with recognized principles of workers' compensation insurance, which are designed to encourage accident prevention. Keeping classification premiums stable and responsive to experience by classifying all occupations or industries in accordance with their degree of hazard. Making sure all employers pay their fair share by distributing the burden of accidents occurring fairly and appropriately within those classifications for which the employer is conducting business.

| Percentage of accurate employer account classifications assignment. | | | | |
|---|---------|--------|--------|----------|
| Biennium | Period | Target | Actual | Variance |
| 2005-07 | 8th Qtr | 98% | | |
| | 4th Qtr | 98% | | |
| 2003-05 | 8th Qtr | 98% | 99% | 1% |
| | 7th Qtr | 98% | 100% | 2% |
| | 6th Qtr | 98% | 100% | 2% |
| | 5th Qtr | 98% | 99% | 1% |

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| Percentage of customer satisfaction for workers compensation employer services based on survey. | | | | |
|---|---------|--------|--------|----------|
| Biennium | Period | Target | Actual | Variance |
| 2005-07 | 8th Qtr | 90% | | |
| | 4th Qtr | 89% | | |
| 2003-05 | 8th Qtr | 87% | 90% | 3% |
| <i>An annual review will be completed.</i> | | | | |

| Percentage of timely (accounts opened within 20 days) account openings for employer accounts | | | | |
|--|---------|--------|--------|----------|
| Biennium | Period | Target | Actual | Variance |
| 2005-07 | 8th Qtr | 98% | | |
| | 4th Qtr | 98% | | |
| 2003-05 | 8th Qtr | 97% | 94% | (3)% |
| | 7th Qtr | 97% | 97% | 0% |
| | 6th Qtr | 97% | 94% | (3)% |
| | 5th Qtr | 97% | 95% | (2)% |

A014 Pressure Vessel

The Boiler/Pressure Vessel program works to protect the public from the inherent dangers associated with boiler/pressure vessel explosions. The program oversees the safety inspection of more than 100,000 boilers and pressure vessels in the state, including locations of public assembly such as schools, stadiums, hospitals, grocery stores, and gas stations. The program directly inspects uninsured and high-risk boiler/pressure vessels, and oversees and monitors insurance company inspectors who perform the remaining inspections. Inspections focus on the most critical safety aspects of these vessels such as relief valves and structural integrity. To further enhance public safety, a formalized permitting process has been implemented that keeps the department informed of new installations, and the program emphasizes the discovery and identification of unregistered vessels. This fee-for-service program has a dedicated account that is self-supporting.

| | FY 2006 | FY 2007 | Biennial Total |
|-------|-------------|-------------|----------------|
| FTE's | 18.4 | 18.4 | 18.4 |
| GFS | \$0 | \$0 | \$0 |
| Other | \$1,599,000 | \$1,648,000 | \$3,247,000 |
| Total | \$1,599,000 | \$1,648,000 | \$3,247,000 |

Statewide Result Area: Improve the safety of people and property

Statewide Strategy: Prevent accidents and prepare for emergencies

Expected Results

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Inspecting and certifying of more than 100,000 vessels each year for all power boilers, and every two years for all heating boilers and pressure vessels), these inspections and certifications are done by state boiler inspectors and inspectors working for insurance companies. Identifying through inspections imminent life-safety violations that prompt the issuance of "red tags" that terminate use of a vessel until the violation has been abated or the vessel is replaced. Providing consultative services to all boiler/pressure vessel owners, insurance companies, users, and non-state inspectors. Identifying and issuing 5,000 new operating permits for vessels each year. Issuing penalties for non-compliance.

| Number of pressure vessel inspections performed. | | | | |
|--|---------|--------|--------|----------|
| Biennium | Period | Target | Actual | Variance |
| 2005-07 | 8th Qtr | 23,500 | | |
| | 4th Qtr | 23,500 | | |
| 2003-05 | 8th Qtr | 5,875 | 5,715 | (160) |
| | 7th Qtr | 5,875 | 5,460 | (415) |
| | 6th Qtr | 5,875 | 4,888 | (987) |
| | 5th Qtr | 5,875 | 5,020 | (855) |

| Number of red tags issued. Red tags represent imminent life-safety violations identified. | | | | |
|---|---------|--------|--------|----------|
| Biennium | Period | Target | Actual | Variance |
| 2005-07 | 8th Qtr | 800 | | |
| | 4th Qtr | 800 | | |
| 2003-05 | 8th Qtr | 800 | 0 | (800) |

| Percentage of boiler/pressure vessels overdue for inspection. | | | | |
|---|---------|--------|--------|----------|
| Biennium | Period | Target | Actual | Variance |
| 2005-07 | 8th Qtr | 2% | | |
| | 4th Qtr | 2% | | |
| 2003-05 | 8th Qtr | 2% | 2.3% | 0.3% |
| | 7th Qtr | 2% | 0.8% | (1.2)% |
| | 6th Qtr | 2% | 2% | 0% |
| | 5th Qtr | 2% | 1.9% | (0.1)% |

A015 Self Insurance

Appropriation Period: 2005-07 Activity Version: 51 - 2006 Governor's Proposed Supplement

In 1971, the Legislature created the self-insurance option for the provision of workers' compensation benefits to injured workers. The legislation allowed employers with the financial resources to assume responsibility for their own claims administration. The legislation became effective January 1, 1972. Today 382 employers and 800,000 workers are covered by self-insurance. Their employees represent approximately one-third of Washington's workforce. The workers of self-insured employers are entitled to the same rights and benefits as those workers insured by the state fund managed by the Department of Labor and Industries. The Self Insurance Section adjudicates workers appeals so that workers of self-insured employers receive the workers' compensation benefits to which they are entitled.

Self-insured employers pay quarterly assessments to the department for the services that employers and workers receive. In addition, there are assessments made to fund the second injury fund, supplemental pension fund, asbestos fund, and insolvency trust. Assessments are based upon the claim expenditures of the individual self-insured employer and the hours worked by its employees. The department collects approximately \$122 million annually in assessments from self-insurers.

| | FY 2006 | FY 2007 | Biennial Total |
|-------|-------------|-------------|----------------|
| FTE's | 82.4 | 81.4 | 81.9 |
| GFS | \$0 | \$0 | \$0 |
| Other | \$6,575,000 | \$6,720,000 | \$13,295,000 |
| Total | \$6,575,000 | \$6,720,000 | \$13,295,000 |

Statewide Result Area: Improve the economic vitality of businesses and individuals

Statewide Strategy: Return unemployed, underemployed or injured workers to work

Expected Results

Completing financial reviews and compliance audits of self-insured employers. Collecting all assessments due the department. Ensuring timely benefit delivery to workers of defaulting self-insurers. Providing workers the benefits to which they are entitled by monitoring the self insurer's actions and intervening when necessary, including resolution of disputes and adjudication of benefits. The self-insurance claims adjudication staff review 5,700 requests for claim denial and 2,900 requests for claim reopening. Vocational rehabilitation consultants complete approximately 4,200 vocational reviews. The self-insurance claims consultants make determinations on 5,900 protests and 2,900 appeals. Responding to 46,000 phone inquiries annually with more than 47 percent, or nearly 22,000, of those calls coming from workers or their representatives, and 16 percent, or just over 7,000, coming from providers.

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| Number of self insured compliance audits completed. Compliance Audits ensure workers employed by self insured receive the rights and benefits to which they are entitled. | | | | |
|---|---------|--------|--------|----------|
| Biennium | Period | Target | Actual | Variance |
| 2005-07 | 8th Qtr | 75 | | |
| | 4th Qtr | 75 | | |
| 2003-05 | 8th Qtr | 17 | 26 | 9 |
| | 7th Qtr | 17 | 26 | 9 |
| | 6th Qtr | 17 | 21 | 4 |
| | 5th Qtr | 17 | 50 | 33 |

A016 SHARP

The Safety and Health Assessment and Research for Prevention (SHARP) program is dedicated to promoting healthy work environments and preventing workplace injuries and illnesses. Since 1990, SHARP has advanced workplace health and safety by conducting numerous research, monitoring, and demonstration projects. SHARP addresses complex occupational health and safety concerns by initiating in-house research projects and by responding to requests from employers, workers, business associations, industry groups, labor, health care professionals, and Labor and Industries staff. SHARP works with the Washington Industrial Safety and Health Act (WISHA) Advisory Committee and the National Occupational Research Agenda (NORA) to develop occupational health research priorities. SHARP is unique in the ability to work with business and labor to address emerging health and safety concerns in Washington State workplaces. SHARP is the primary research program in Washington that receives federal funding to track occupational illnesses and injuries.

| | FY 2006 | FY 2007 | Biennial Total |
|-------|-----------|-----------|----------------|
| FTE's | 1.4 | 1.4 | 1.4 |
| GFS | \$0 | \$0 | \$0 |
| Other | \$126,000 | \$136,000 | \$262,000 |
| Total | \$126,000 | \$136,000 | \$262,000 |

Statewide Result Area: Improve the economic vitality of businesses and individuals

Statewide Strategy: Other workforce support strategies

Expected Results

Enumerating policy-relevant safety and health research publications and formal presentations delivered to employers, workers, business associations, labor groups, scientific meetings, and others. Providing evidence-based information for action to save lives and make people safer at work.

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| Number of formal presentation delivered by SHARP research professionals. | | | | |
|--|---------|--------|--------|----------|
| Biennium | Period | Target | Actual | Variance |
| 2005-07 | 8th Qtr | 44 | | |
| | 4th Qtr | 42 | | |
| 2003-05 | 8th Qtr | 10 | 12 | 2 |
| | 7th Qtr | 10 | 13 | 3 |
| | 6th Qtr | 10 | 13 | 3 |
| | 5th Qtr | 10 | 30 | 20 |
| <i>Policy-relevant safety and health research presentations for employers, workers, industry and medical associations, that provide evidence-based information to make people safer at work.</i> | | | | |
| <i>Data for FY02 only available for the period 1/1/2002 to 6/30/2002.</i> | | | | |

| Number of Health and Safety publications providing evidence-based information to make people safer at work. | | | | |
|---|---------|--------|--------|----------|
| Biennium | Period | Target | Actual | Variance |
| 2005-07 | 8th Qtr | 39 | | |
| | 4th Qtr | 35 | | |
| 2003-05 | 8th Qtr | 9 | 29 | 20 |
| | 7th Qtr | 8 | 16 | 8 |
| | 6th Qtr | 7 | 15 | 8 |
| | 5th Qtr | 7 | 14 | 7 |
| <i>Policy-relevant safety and health research publications for employers, workers, business, labor, industry, medical and scientific groups that provide evidence-based information to make people safer at work.</i> | | | | |

A017 WISHA Administration and Policy

Washington State's Constitution requires the adoption and enforcement of laws to protect employees from workplace hazards. Employers have a legal obligation to ensure safe workplaces. The WISHA program (Washington Industrial Safety and Health Act) employs the dual approach of prevention and protection to assist employers in meeting their legal obligation to keep Washington's 2.7 million workers safe while on the job. WISHA provides comprehensive services to ensure the reduction of preventable workplace injuries, illnesses, and fatalities through enforcement inspections, onsite consultation services, training opportunities, and educational resources. These services directly result in improving the safety and health of Washington's citizens, and improving the quality and productivity of the workforce. Other administrative responsibilities include significant interaction with the Governor's Office, the Legislature, and numerous businesses and labor stakeholders. The division also chairs the statutorily-required WISHA Advisory Committee and manages litigation, legislative, and federal grant and budget activities. Studies conducted over the past three years show a significant reduction in compensable workers' compensation claims in workplaces that WISHA has inspected.

| | FY 2006 | FY 2007 | Biennial Total |
|-------|--------------|--------------|----------------|
| FTE's | 149.1 | 149.1 | 149.1 |
| GFS | \$0 | \$0 | \$0 |
| Other | \$16,690,000 | \$16,691,000 | \$33,381,000 |
| Total | \$16,690,000 | \$16,691,000 | \$33,381,000 |

Statewide Result Area: Improve the economic vitality of businesses and individuals

Statewide Strategy: Other workforce support strategies

Expected Results

Achieving safer places to work, with workers going home in the same condition as they left. Reduced workplace injuries, illnesses, and fatalities. Responding to and resolving employee complaints about serious hazards. Investigating work-related fatalities and catastrophes and determining causes and ways to prevent re-occurrences. Assuring timely correction of serious violations. Providing advice on how to correct hazards and working with employers to ensure timely correction. Providing safety and health training workshops for employers and employees. Conducting statutorily required reassumption hearings and negotiating settlement agreements with employers and attorneys. Conducting statutorily required investigations of employee allegations of discrimination or retaliation by employers as a result of a complaint about workplace safety, and negotiating settlement agreements with complainants, employers, and attorneys, or otherwise resolving cases.

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| Number of serious hazards identified and addressed by enforcement inspections and technical assistance visits. This measurement is hazardous incidences corrected. | | | | |
|--|---------|--------|--------|----------|
| Biennium | Period | Target | Actual | Variance |
| 2005-07 | 8th Qtr | 44,000 | | |
| | 4th Qtr | 44,000 | | |
| 2003-05 | 8th Qtr | 10,248 | 11,805 | 1,557 |
| | 7th Qtr | 10,248 | 11,039 | 791 |
| | 6th Qtr | 9,256 | 11,519 | 2,263 |
| | 5th Qtr | 10,248 | 10,123 | (125) |

| Number of WISHA worksite consultations and inspections. | | | | |
|---|---------|--------|--------|----------|
| Biennium | Period | Target | Actual | Variance |
| 2005-07 | 8th Qtr | 11,000 | | |
| | 4th Qtr | 11,000 | | |
| 2003-05 | 8th Qtr | 2,685 | 2,482 | (203) |
| | 7th Qtr | 2,685 | 2,900 | 215 |
| | 6th Qtr | 2,365 | 2,212 | (153) |
| | 5th Qtr | 2,685 | 2,287 | (398) |

| WISHA Intervention effectiveness. Measures the decrease in claims rates for fixed site employers WISHA visited, compared to employers' claims rates who had no WISHA activity. | | | | |
|--|---------|--------|--------|----------|
| Biennium | Period | Target | Actual | Variance |
| 2005-07 | 6th Qtr | 15% | 0% | (15)% |
| | 2nd Qtr | 15% | 0% | (15)% |
| 2003-05 | 6th Qtr | 10% | 8% | (2)% |
| | 2nd Qtr | 10% | 0% | (10)% |
| <i>This is an annual measure; results are usually available by November.</i> | | | | |

A018 WISHA Consultation and Compliance

WISHA inspectors in L&I's 22 service locations investigate hazardous workplaces, fatalities, serious accidents, and employee safety complaints. Safety laws are enforced and penalties assessed as needed. WISHA investigators ensure the right of workers to report workplace safety concerns without fear of retaliation. WISHA consultants advise employers on safety and health issues, and help them identify and correct hazards. Consultants train employers and workers to become self-sufficient in keeping their workplaces free of hazards. Both consultants and inspectors ensure that employers correct serious hazards.

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| | FY 2006 | FY 2007 | Biennial Total |
|-------|--------------|--------------|----------------|
| FTE's | 231.5 | 231.8 | 231.7 |
| GFS | \$0 | \$0 | \$0 |
| Other | \$17,013,000 | \$17,648,000 | \$34,661,000 |
| Total | \$17,013,000 | \$17,648,000 | \$34,661,000 |

Statewide Result Area: Improve the economic vitality of businesses and individuals

Statewide Strategy: Other workforce support strategies

Expected Results

Conducting at least 7,400 workplace inspections that result in identifying and ensuring employers fix at least 6,600 serious hazards that could cause serious injuries or illnesses. Responding to and resolving employee complaints about serious hazards. Investigating work-related fatalities and catastrophes and determining causes and ways to prevent re-occurrences. Assuring timely correction of serious violations. Providing at least 2,400 workplace safety and health consultations that result in identifying and fixing at least 7,600 serious hazards. Providing advice on how to correct hazards and working with employers to ensure timely correction. Providing safety and health training workshops for employers and employees. Conducting statutorily required reassumption hearings and negotiating settlement agreements with employers and attorneys. Conducting statutorily required investigations of employee allegations of discrimination or retaliation by employers as a result of a complaint about workplace safety and negotiating settlement agreements with complainants, employers, and attorneys, or otherwise resolving cases.

| Number of serious hazards identified and addressed by enforcement inspections and technical assistance visits. This measurement is hazardous incidences corrected. | | | | |
|--|---------|--------|--------|----------|
| Biennium | Period | Target | Actual | Variance |
| 2005-07 | 8th Qtr | 44,000 | | |
| | 4th Qtr | 44,000 | | |
| 2003-05 | 8th Qtr | 10,248 | 11,805 | 1,557 |
| | 7th Qtr | 10,248 | 11,039 | 791 |
| | 6th Qtr | 9,256 | 11,519 | 2,263 |
| | 5th Qtr | 10,248 | 10,123 | (125) |

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| Number of WISHA worksite consultations and inspections. | | | | |
|---|---------|--------|--------|----------|
| Biennium | Period | Target | Actual | Variance |
| 2005-07 | 8th Qtr | 11,000 | | |
| | 4th Qtr | 11,000 | | |
| 2003-05 | 8th Qtr | 2,685 | 2,482 | (203) |
| | 7th Qtr | 2,685 | 2,900 | 215 |
| | 6th Qtr | 2,365 | 2,212 | (153) |
| | 5th Qtr | 2,685 | 2,287 | (398) |

| WISHA Intervention effectiveness. Measures the decrease in claims rates for fixed site employers WISHA visited, compared to employers' claims rates who had no WISHA activity. | | | | |
|--|---------|--------|--------|----------|
| Biennium | Period | Target | Actual | Variance |
| 2005-07 | 6th Qtr | 15% | 0% | (15)% |
| | 2nd Qtr | 15% | 0% | (15)% |
| 2003-05 | 6th Qtr | 10% | 8% | (2)% |
| | 2nd Qtr | 10% | 0% | (10)% |
| <i>This is an annual measure; results are usually available by November.</i> | | | | |

A019 Worker Compensation Benefit, Policy, and Operations

L&I provides over \$1.5 billion in insurance benefits for about 144,000 new workers' compensation claims each year. L&I is charged with the responsibility of providing sure and certain relief to eligible workers who are injured or become ill as a result of a workplace injury or exposure. Benefits are provided when a worker is injured or develops a work-related illness while working in employment covered under the Industrial Insurance Act. Benefits include wage replacement during the period the worker is unable to work, payment for medical services related to their work-related injury or illness, return-to-work or vocational assistance to workers who cannot perform the job at the time of injury, monetary payment for physical or mental impairment resulting from injury or illness, or lifetime pension benefits for workers or their family members if a worker is permanently disabled or fatally injured while working. The adjudication of state fund pensions and the administration of both state fund and self-insured pension payments are provided by the Policy and Quality Coordination program. This program also is responsible for the appropriate adjustment to workers' compensation payments for recipients who are entitled to Social Security disability or retirement benefits.

| | FY 2006 | FY 2007 | Biennial Total |
|-------|--------------|--------------|----------------|
| FTE's | 926.2 | 906.7 | 916.5 |
| GFS | \$0 | \$0 | \$0 |
| Other | \$94,994,000 | \$96,604,000 | \$191,598,000 |
| Total | \$94,994,000 | \$96,604,000 | \$191,598,000 |

Appropriation Period: 2005-07 Activity Version: 51 - 2006 Governor's Proposed Supplement

Statewide Result Area: Improve the economic vitality of businesses and individuals

Statewide Strategy: Return unemployed, underemployed or injured workers to work

Expected Results

Promptly processing 144,000 claims filed annually. Managing over 55,000 open claims at any given time. This involves monitoring the provision of over \$540 million paid out annually for medical treatment, in addition to lost wage replacement benefits, and awards for permanent physical impairment amounting to over \$520 million annually. Delivering the initial payment of wage replacement benefits to eligible workers within 14 days of receiving the claim. Processing over 600,000 payments for on-going time-loss compensation benefits to eligible workers on a regular, semi-monthly basis. Providing return-to-work or vocational services to approximately 14,500 workers each year who are not able to return to work within 14 days of their disability. Adjudicating and timely paying \$420 million annually in pension benefits to approximately 22,000 permanently disabled workers, and beneficiaries of workers killed on the job. Adjusting benefits for workers who also receive social security payments. Receiving and responding to over 698,000 incoming phone calls per year. Making determinations within the statutory time frames on over 7,500 applications to reopen closed claims received annually. Responding in a timely manner to the over 6,000 decisions on appeals issued annually by the Board of Industrial Insurance Appeals.

| Median number of time loss days per claim closed during the fiscal year. (This is the number of work days lost due to workplace injuries or disease.) | | | | |
|---|---------|--------|--------|----------|
| Biennium | Period | Target | Actual | Variance |
| 2005-07 | 8th Qtr | 37 | | |
| | 4th Qtr | 38 | | |
| 2003-05 | 8th Qtr | 39 | 40 | 1 |
| | 7th Qtr | 39 | 40 | 1 |
| | 6th Qtr | 39 | 40 | 1 |
| | 5th Qtr | 39 | 41 | 2 |

| Number of days from the date of receipt of a claim to the allowance or rejection decision. | | | | |
|--|---------|--------|--------|----------|
| Biennium | Period | Target | Actual | Variance |
| 2005-07 | 8th Qtr | 26 | | |
| | 4th Qtr | 27 | | |
| 2003-05 | 8th Qtr | 28 | 22.7 | (5.3) |
| | 7th Qtr | 28 | 21 | (7) |
| | 6th Qtr | 28 | 22.3 | (5.7) |
| | 5th Qtr | 28 | 20.4 | (7.6) |

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| Number of injured workers who are returned to work with the employer of injury through the Department's Early Return-to-Work Program. | | | | |
|---|---------|--------|--------|----------|
| Biennium | Period | Target | Actual | Variance |
| 2005-07 | 8th Qtr | 550 | | |
| | 7th Qtr | 550 | | |
| | 6th Qtr | 550 | | |
| | 5th Qtr | 550 | | |
| | 4th Qtr | 550 | | |
| | 3rd Qtr | 550 | | |
| | 2nd Qtr | 550 | | |
| | 1st Qtr | 550 | | |
| 2003-05 | 8th Qtr | 550 | 481 | (69) |
| | 7th Qtr | 550 | 512 | (38) |
| | 6th Qtr | 550 | 584 | 34 |
| | 5th Qtr | 550 | 742 | 192 |
| | 4th Qtr | 0 | 793 | 793 |
| FY04 data is 4th quarter only. | | | | |

| Timely payment of initial wage replacement benefits. The percentage of claims where the initial payment of benefits to a worker is made within 14 days of receipt of the report of accident at L&I. | | | | |
|---|---------|--------|--------|----------|
| Biennium | Period | Target | Actual | Variance |
| 2005-07 | 8th Qtr | 95% | | |
| | 4th Qtr | 95% | | |
| 2003-05 | 8th Qtr | 95% | 93.3% | (1.7)% |
| | 7th Qtr | 95% | 92.3% | (2.7)% |
| | 6th Qtr | 95% | 92.4% | (2.6)% |
| | 5th Qtr | 95% | 92.8% | (2.2)% |

ZZZX Other Statewide Adjustments

This item reflects proposed compensation and other adjustments that were not allocated to individual agency activities. The agency will assign these costs to the proper activities after the budget is enacted.

| | FY 2006 | FY 2007 | Biennial Total |
|-------|------------|-------------|----------------|
| FTE's | 0.0 | 0.0 | 0.0 |
| GFS | \$(8,000) | \$(23,000) | \$(31,000) |
| Other | \$(2,000) | \$1,596,000 | \$1,594,000 |
| Total | \$(10,000) | \$1,573,000 | \$1,563,000 |

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Statewide Result Area: Strengthen the ability of state government to achieve results efficiently and effectively

Statewide Strategy: Human resources support for government agencies

Grand Total

| | FY 2006 | FY 2007 | Biennial Total |
|-------|---------------|---------------|----------------|
| FTE's | 2,648.3 | 2,636.2 | 2,642.3 |
| GFS | \$7,553,000 | \$7,645,000 | \$15,198,000 |
| Other | \$253,374,000 | \$265,672,000 | \$519,046,000 |
| Total | \$260,927,000 | \$273,317,000 | \$534,244,000 |